

12 July 1963

OFFICE OF PERSONNEL MEMORANDUM NO. 20-29-2

SUBJECT: Premium Pay for Prevailing Rate Employees

1. INTRODUCTION

- a. Premium pay includes night differential, overtime, holiday pay, and high-work differential. Premium pay for prevailing rate employees is based upon specified basic rates set forth in four prevailing rate schedules which apply to particular groups of employees as follows:
 - (1) Government Printing Schedule (GP)
 - (2) Graphic Arts Schedule (GA)
 - (3) Wage Board Schedule (WB)
 - (4) Lithographic Board Schedule (LB)
- b. The Salary and Wage Division, Office of Personnel, will issue current prevailing rate schedules for Agency employees. Such schedules will specify the basic rates for employees assigned to day shifts and will indicate the amount of differential to be added for employees assigned to night shifts.
- c. Computation and payment of basic salary and premium pay will be made by the payroll offices in accordance with the guidelines contained herein and will be based upon the duty status reports of the hours worked by employees.

2. PREMIUM PAY ENTITLEMENTS

a. NIGHT DIFFERENTIAL

RATES

- (a) GP and GA employees will be paid a basic night rate equal to the basic day rate plus 15% of the day rate.
- (b) LB employees will be paid a basic night rate equal to the basic day rate plus 10% of the day rate.
- (c) WB employees will be paid a basic night rate equal to the basic day rate plus either a percentage of the day rate or a flat

OPM 7-63

amount which varies with localities. The percentage or amount will be reflected on the applicable WB rate schedule.

(2) GENERAL (GP, GA, WB, AND LB EMPLOYEES)

- (a) A night rate will be paid for an entire shift when half or more of the regularly scheduled hours fall between 1800 and 0600 hours. A night rate will not be paid for any portion of a shift when less than half of the regularly scheduled hours fall between 1800 and 0600 hours.
- (b) Night rates for all prevailing rate employees constitute a separate base pay for all pay purposes, including overtime compensation, holiday pay, retirement and group life insurance deductions, and high-work differential.
- (c) Lump-sum leave payments will be made at the basic night rate for all regularly scheduled periods of night shift duty covered by the unused annual leave credited to an employee (and allowable for payment) on the effective date of separation. Where a night shift has been canceled or an employee has been regularly scheduled for the day shift on or before the date of separation, lump-sum leave will be paid at the basic rate of a day shift.
- (d) Payment of night rates is subject to a prohibition on premium pay during periods of training and incidental travel time (see paragraph 3 below).

(3) TEMPORARY ASSIGNMENTS BETWEEN DAY AND NIGHT SHIFT

(a) GP and GA Employees

Compensation is determined by the duty tour. An employee receives the night rate only when on night duty. A night duty employee temporarily assigned to a day shift receives the day rate. Likewise, a day shift employee temporarily assigned to the night shift receives the night rate.

(b) WB and LB Employees

- (1) An employee regularly assigned to a day shift receives the night rate for any period during which he is temporarily assigned to work a regular shift for which a night rate is otherwise payable, except where such work is performed as irregular overtime.

OPM 7-63

- (2) An employee regularly or alternately assigned to a night shift will continue to be paid the rate of his regular tour during:
 - (a) Temporary assignment, not in excess of 7 calendar days, to a day shift at his home station, provided such temporary assignment is for the convenience of the Government. Day rates will be paid after the 7th day of such temporary assignment.
 - (b) Temporary assignment, not in excess of 30 calendar days, to a day shift at a temporary duty station. Day rates will be paid after the 30th day of such temporary duty.
 - (c) Travel time which occurs on nonworkdays during the hours scheduled for the employee to work a night shift.

(4) NIGHT RATES DURING PERIODS OF LEAVE WITH PAY

(a) GP and GA Employees

Compensation at the night rate during a period of leave is payable to a GP or GA employee only when the employee is regularly assigned to the night shift on the last day of duty before going on leave.

(b) WB and LB Employees

Entitlement to the night rate during a period of leave depends upon the shift to which the employee is assigned at the time of going on leave and the duration of such assignment.

- (1) An employee assigned to a night shift on a full-time basis will continue to receive compensation at the night rate during a period of leave.
- (2) An employee on a regular rotating schedule with both day and night shifts will be paid the day rate for that portion of the period of leave when he would have worked on the day shift, and will be paid the night rate for that portion of the leave period when he would have worked on the night shift.
- (3) An employee temporarily assigned to a night shift will be paid compensation as follows:

OPM 7-63

- (a) If the assignment to the night shift is of indefinite duration, the employee will be paid the night rate for such part of the leave period as he would have been required to work on the night shift.
- (b) If the assignment to the night shift is of specified duration, the employee will be paid the night rate for that portion of the leave period which falls within the specified period of assignment to the night shift.
- (4) If changes from day shift to night shift are at irregular intervals and the basic shift assignment cannot be determined, compensation during a period of leave will be at the rate applicable to the shift on which the employee was working at the time the leave period began.

b. OVERTIME (GP, GA, WB, AND LB EMPLOYEES)

Overtime rates are payable for all authorized hours of work or standby time in excess of 8 hours per day or in excess of 40 hours in an administrative workweek to all prevailing rate employees, including those serving on an intermittent (when-actually-employed) basis, subject to the prohibition on payment during periods of training and incidental travel time as set forth in paragraph 3 below. Compensatory time off may not be substituted for overtime payment.

(1) OVERTIME RATES

- (a) The overtime rate is one and one-half times the basic rate applicable to the shift to which the employee is assigned.
- (b) Overtime compensation for a regular night shift employee will be computed on the night rate, even though the hours of overtime worked fall partially or entirely within a day shift.
- (c) Overtime compensation for a regular day shift employee will be computed on the day rate, even though the hours of overtime worked fall partially or entirely within a night shift.
- (d) Overtime compensation for an employee having regular tours of duty including two or more shifts will be computed on the rate in effect for the employee for the calendar day on which the overtime is worked. If overtime work is performed by such an employee on a nonworkday, overtime compensation will be computed on the rate of the employee's last regularly scheduled shift.

OPM 7-63

(2) CRITERIA FOR PAYMENT

(a) 8 Hours Per Day

Before overtime rates may be paid for work in excess of 8 hours per day, the employee must be in a pay status (work or paid leave) for 8 hours at straight-time rates on that day. Thus, for example, if an employee who has a regularly scheduled 10-hour workday is on annual leave for 2 hours during the first 8 hours of his workday and is in a work status for the other 8 hours, he is entitled to overtime pay for the last 2 hours which he worked. If, on the other hand, he should be in a work status for the first 8 hours and take annual leave for the last 2 hours, he would be entitled only to straight-time pay for the 10 hours. Further, if he should be in a non-pay status for 2 hours during the first 8 hours of his workday and in a work status for the other 8 hours, he would be entitled only to straight-time pay for 8 hours.

(b) 40 Hours Per Week

- (1) The total number of hours in excess of 40 per week for which overtime rates are payable is computed separately for each administrative workweek (defined as Sunday through the following Saturday). The hours worked in one administrative workweek may not be combined with hours worked in another for overtime payment purposes.
- (2) Leave with pay (such as annual, sick, court, and military leave) and holidays on which no work is performed but for which compensation is payable will be counted toward the 40 hours per week when determining the hours in excess of 40 per week for which overtime rates are payable.

(c) Combination 8 Hours Per Day and 40 Hours Per Week

When work is performed in excess of 8 hours on one or more days and in excess of 40 hours during the administrative workweek, the basis for overtime payment will be determined by comparing the weekly total of hours in excess of 8 per day and the weekly total of hours in excess of 40.

- (1) If the weekly total of hours in excess of 8 per day either equals or exceeds the total hours in excess of 40 per week, the overtime payment will be made on the basis of the hours in excess of 8 per day. Thus, for example, if an employee works his regular tour of four 10-hour days, Monday through Thursday, and then works an additional 5 hours on Friday,

OPM 7-63

he would receive overtime pay for the 8 hours worked in excess of 8 hours per day, and would receive straight-time pay (rather than overtime) for the 5 hours worked in excess of 40 hours per week.

- (2) If the weekly total of hours in excess of 8 per day is less than the total hours in excess of 40 per week, the overtime payment will be made on the basis of the hours in excess of 40 per week. Thus, for example, if an employee works his regular tour of four 10-hour days, Monday through Thursday, and then works 8 hours on Friday and 8 hours on Saturday, he would receive overtime pay for the 16 hours in excess of 40 per week and no overtime would be payable for the total of 8 hours worked in excess of 8 hours per day.

(3) REGULAR OVERTIME

Regular overtime is overtime scheduled in advance for specified periods on stated days and will recur over an extended period (at least two administrative workweeks).

(4) IRREGULAR OVERTIME

Irregular overtime is overtime performed on an intermittent or occasional basis, even though planned or scheduled in advance of performance.

(5) CALL-BACK OVERTIME

Whenever an employee is called back to perform unscheduled, irregular overtime work either on a regular workday after he has completed his tour and left, or outside the clock hours of his regular tour on a holiday, or on one of his scheduled nonworkdays, such work will be considered at least 2 hours in duration. An employee is entitled to a minimum of 2 hours' pay for each separate time he is called back, even though the second or subsequent return may be required before expiration of 2 hours from the time he previously reported for duty.

(6) EFFECT OF OVERTIME PAY ON RETIREMENT AND FEGLI

Overtime pay for work in excess of 40 hours per week or for irregular overtime work in excess of 8 hours per day is in addition to and not a part of basic pay, and will not be included in the amount of basic pay upon which retirement and group life insurance deductions are computed. However, when the 40-hour workweek regularly includes one or more workdays exceeding 8 hours, the regularly scheduled 40 hours

of duty at basic rates constitutes the basic workweek for purposes of retirement and group life insurance deductions. Thus, for example, if an employee has a regularly scheduled workweek of four 10-hour days, he is entitled to 32 hours' pay at basic rates and 8 hours' pay at overtime rates; his retirement and group life insurance deductions, however, are computed on the basis of 40 hours of basic pay.

c. HOLIDAY PAY

Prevailing rate employees are entitled to compensation at holiday rates, not to exceed 8 hours, for hours worked on a legal holiday (or a day in lieu thereof) when such hours fall within the regularly scheduled tour, except when the employee is in a training status as described under paragraph 3 below. The holiday rate is in addition to the gratuity pay (straight time) to which the employee has entitlement regardless of whether actual work is performed on the holiday. Compensatory time off may not be substituted for holiday rate payment.

(1) HOLIDAY RATES

(a) GP and GA Employees

Holiday work is compensated at a rate of one and one-half times the basic rate (in addition to gratuity pay).

(b) WB and LB Employees

Holiday work is compensated at a rate equal to the basic rate (in addition to gratuity pay).

(2) GENERAL (GP, GA, WB, AND LB EMPLOYEES)

- (a) Holiday pay is computed on the basic rate, which will include night differential when applicable to an employee's shift.
- (b) Any work performed entirely within the regularly scheduled tour on a holiday will be considered to be at least 2 hours in duration. (See also subparagraph (e) immediately below.)
- (c) If an employee is called back to perform work on two or more separate occasions (each of which is within the hours of the regular tour) on a holiday, each separate call-back period will be considered to be at least 2 hours in duration, subject to the limitation that holiday rates are payable for no more than 8 hours.
- (d) When an employee is called back on a holiday to perform work

outside the hours of the regular tour, such work is considered overtime work and the provisions of subparagraph 2b(5) above apply.

- (e) When an employee is called back on a holiday to perform work of less than 2 hours' duration which falls partly during the hours of his regular tour and partly during an irregular overtime period, he is entitled to 2 hours' call-back overtime pay in addition to holiday pay for work performed during the hours of his regular tour.

d. HIGH WORK DIFFERENTIAL (WB EMPLOYEES)

A high work differential of 100% of the basic hourly rate will be paid to Wage Board employees for officially assigned work performed at a height of 100 feet or more on structures such as steeples, smokestacks, communication or powerline towers, water towers, etc., when the work is performed under hazardous conditions caused by the absence of scaffolding, guards, or other suitable protective measures or facilities.

(1) RATES

An employee's base rate for high work will be computed by doubling the hourly base rate (either day or night rate) which he normally receives for regular work.

(2) GENERAL

- (a) The rate obtained by adding the high work differential to the normal base rate constitutes a separate base pay for all pay purposes, including overtime compensation, holiday pay, and retirement and group life insurance deductions.
- (b) The time period for which a high work differential is payable will be the nearest multiple of 15 minutes during which an employee is ascending to, working at, and descending from a height of 100 feet or more.
- (c) A minimum of one hour will be used to compute high work pay for any day on which high work is performed, regardless of whether such work is performed for a full hour.

3. PROHIBITION ON PREMIUM COMPENSATION FOR TRAINING

a. GENERAL

Section 10 of the Government Employees Training Act (5 U.S.C. 2309) prohibits the payment of premium compensation for overtime, holiday duty,

ADMINISTRATIVE - INTERNAL USE ONLY

or night duty to employees participating in training programs under the Act, except as provided in subparagraph b below. The prohibition applies also to any time spent in a travel status incident to the training.

b. EXCEPTIONS

- (1) Employees who are given training during a period of duty for which they are already receiving overtime, holiday, or night differential pay shall continue to receive such premium compensation during the training, provided that this exception shall not apply to employees assigned to full-time training at institutions of higher learning. Thus, for example, if an employee who is regularly assigned to a night shift is given training for an hour each night (during his regular duty hours), he continues to receive the night differential for the entire tour, including the hour of training each night.
- (2) Employees who are assigned to a night shift for job familiarization purposes (because situations which they must learn to handle occur only at night) will receive night differential for such night duty.



EMMETT D. ECHOLS
Director of Personnel

STAT